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SIPDIS

## FROM U.S. MISSION IN ROME

JAKARTA FOR AMBASSADOR BOYCE AND USAID DIRECTOR FREJ STATE FOR AS/PRM DEWEY, PRM/P, EAP/IET AND IO/EDA BEHREND AND KOTOK
USAID FOR DAA/DCHA GRIGSBY, DCHA/FFP LANDIS, ANE/ESA
USDA/FAS FOR CHAMBLISS/TILSWORTH/GAINOR
GENEVA FOR AMBASSADOR MOLEY, RMA LYNCH AND NKYLOH/USAID
USUN FOR AMBASSADOR NEGROPONTE AND MLUTZ
BRUSSELS FOR USAID/LERNER
NSC FOR JDWORKEN

E.O. 12958: N/A
TAGS: EAID EAGR AORC PREF KUNR WFP UNHCR
SUBJECT: WFP BOARD APPROVES INDONESIA PROTRACTED RELIEF AND
RECOVERY OPERATION (PRRO) VALUED AT U.S. DOLLARS (USD)
115.37 MILLION - 269,568 METRIC TONS

SUMMARY

11. The WFP Executive Board, at its first regular session (February 23-26), approved a Protracted Relief and Recovery Operation for Indonesia. The project 10069.1, entitled Assistance to Recovery and Nutritional Rehabilitation, is for three years (July 2004-June 2007), and covers 2.1 million beneficiaries. Total cost to WFP is U.S. dollars (USD) 115.37 million. Over the life-of-project, WFP will supply (subject to the availability of funds) a total of 269,568 metric tons of food aid. End summary.

## Background

12. WFP will target (year 1): a) an average of 290,000 Internally Displaced persons (IDPs)/Returnees (ex. Madura, Malukku, West Timor, West Kalimantan, other areas) with free food rations; b) 1.0 million persons (ultra-poor) living in Jakarta and surrounding areas through subsidized sale of rice - to be phased-out in 18 months; c) 240,000 malnourished children under 5 will receive fortified biscuits and 140,000 pregnant and lactating women will be assisted with five kilos of fortified noodles per month, in addition to in-depth nutrition education; d) 390,000 schoolchildren will receive fortified biscuits; and e) 42,500 TB patients are targeted to receive rice and fortified foods aimed at enhancing their nutritional status. At the end of this three-year operation, WFP aims to have established a nutrition rehabilitation network of health centers and primary schools, which will be supported by provincial and district governments after phase-out.

U.S. intervention in support of approval of the Indonesia PRRO

- 13. Herewith the essence of the supportive U.S. intervention:
- -WFP and its UN partners have a vital role to play in supporting improved public service delivery by sub-national governments in what is now considered to be one of the most decentralized countries in the world.
- -While USDEL appreciates WFP's focus on the urban ultra-poor through its Social Welfare Market Operation (OPSM), we endorse WFP's strategy to phase-out of this intervention.
- -USDEL supports continued targeting of IDPs and others affected by domestic unrest. We note that up to 40 percent of 6-15 year-olds do not attend school in IDP areas and the general paucity of adequate social services.
- -NGOs have a vast Indonesia-wide outreach, which WFP should increasingly strive to support.
- -WFP's work with the GOI's Ministry of Agriculture in the creation of a Food Insecurity Atlas of Indonesia is laudatory. USDEL is most supportive of UN efforts to enhance understanding of the nutritional status of children, particularly at the micro-level.
- -Finally, USAID Indonesia confirms that WFP has proven to be an efficient conduit of food assistance and its ongoing presence is warranted as Indonesia continues to face

political and social challenges.

U.S. support to WFP's Indonesia operations since 1998

14. WFP closed down its program in Indonesia in 1996. It returned in 1998 to provide emergency and protracted relief and recovery assistance. Since 1998, the United States has provided 332,114 metric tons through WFP, valued at USD 117.5 million (52 percent of overall contributions). Note. Australia, the second largest donor to WFP Indonesia, has contributed since 1998 a total of 135,868 metric tons valued at USD 41.6 million. End note.

Other donor comments

15. Other donor interventions were supportive of WFP's efforts. Board members agreed that an exit strategy was important and that WFP should increasingly focus on nutritional rehabilitation and capacity building. Australia asked that the UN review its Phase V security rating for West Timor. The UK stressed the need for greater focus on local procurement. While it was noted that local food procurement was "often complicated and not always reliable," in UK's view, "WFP should be striving to make it happen."

Executive Board approval

16. The WFP Board approved the Protracted Relief and Recovery Operation for Indonesia. The project 10069.1, entitled Assistance to Recovery and Nutritional Rehabilitation, is for three years (July 2004-June 2007), and covers 2.1 million beneficiaries. Total cost to WFP is USD 115.37 million. Over the life-of-project, WFP will supply (subject to the availability of funds) a total of 269,568 metric tons of food aid. Hall

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